

215 ILCS 5/143.13

Sec. 143.13. Definition of terms used in Sections 143.11 through 143.24.

(a) "Policy of automobile insurance" means a policy delivered or issued for delivery in this State, insuring a natural person as named insured or one or more related individuals resident of the same household and under which the insured vehicles therein designated are motor vehicles of the private passenger, station wagon, or any other 4-wheeled motor vehicle with a load capacity of 1500 pounds or less which is not used in the occupation, profession or business of the insured or not used as a public or livery conveyance for passengers nor rented to others. Policy of automobile insurance shall also mean a named non-owner's automobile policy.

Policy of automobile insurance does not apply to policies of automobile insurance issued under the Illinois Automobile Insurance Plan, to any policy covering garages, automobile sales agencies, repair shops, service stations or public parking place operation hazards. "Policy of automobile insurance" does not include a policy, binder, or application for which the applicant gives or has given for the initial premium a check or credit card charge that is subsequently dishonored for payment, unless the check or credit card charge was dishonored through no fault of the payor.

(b) "Policy of fire and extended coverage insurance" means a policy delivered or issued for delivery in this State, that includes but is not limited to, the perils of fire and extended coverage, and covers real property used principally for residential purposes up to and including a 4 family dwelling or any household or personal property that is usual or incidental to the occupancy to any premises used for residential purposes.

(c) "All other policies of personal lines" means any other policy of insurance issued to a natural person for personal or family protection.

(d) "Renewal" or "to renew" means (1) any change to an entire line of business in accordance with subsection b-5 of Section 143.17 and (2) the issuance and delivery by an insurer of a policy superseding at the end of the policy period a policy previously issued and delivered by the same insurer or the issuance and delivery of a certificate or notice extending the term of a policy beyond its policy period or term; however, any successive policies issued by the same insurer to the same insured, for the same or similar coverage, shall be considered a renewal policy.

Any policy with a policy period or term of less than 6 months or any policy with no fixed expiration date shall be considered as if written for successive policy periods or terms of 6 months for the purpose of "renewal" or "to renew" as defined in this paragraph (d) and for the purpose of any non-renewal notice required by Section 143.17 of this Code.

(e) "Nonpayment of premium" means failure of the named insured to discharge, when due, any of his obligations in connection with the payment of premiums or any installment of such premium that is payable directly to the insurer or to its agent. Premium shall mean the premium that is due for an individual policy which shall not include any membership dues or other consideration required to be a member of any organization in order to be eligible for such policy. The term "nonpayment of premium" does not include a check, credit card charge, or money order that an applicant gives or has given to any person for the initial premium payment for a policy, binder, or application and that is subsequently dishonored for payment, and any policy, binder, or application in connection therewith is void and of no effect and not subject to the cancellation provisions of this Code.

(f) "A policy delivered or issued for delivery in this State" shall include but not be limited to all binders of insurance, whether written or oral, and all applications bound for future delivery by a duly licensed resident agent. A written binder of insurance issued for a term of 60 days or less, which contains on its face a specific inception and expiration date and which a copy has been furnished to the insured, shall not be subject to the non-renewal requirements of Section 143.17 of this Code.

(g) "Cancellation" or "cancelled" means the termination of a policy by an insurer prior to the expiration date of the policy. A policy of automobile or fire and extended coverage insurance which expires by its own terms on the policy expiration date unless advance premiums are received by the insurer for succeeding policy periods shall not be considered "cancelled" or a "cancellation" effected by the insurer in the event such premiums are not paid on or before the policy expiration date.

(h) "Commercial excess and umbrella liability policy" means a policy written over one or more underlying policies for an insured:

(1) that has at least 25 full-time employees at the time the commercial excess and umbrella liability policy is written and procures the insurance of any risk or risks, other than life, accident and health, and annuity contracts, as described in clauses (a) and (b) of Class 1 of Section 4 and clause (a) of Class 2 of Section 4, by use of the services of a full-time employee acting as an insurance manager or buyer; or

(2) whose aggregate annual premiums for all property and casualty insurance on all risks is at least \$50,000.

(Source: P.A. 91-552, eff. 8-14-99; 91-597, eff. 1-1-00; 92-16, eff. 6-28-01.)